BACKGROUNDER NO. 5-6171 SEPTEMBER 29, 1978
CLAUDIO ESKENAZI

THIS WEEK NO. 39

ANNCR:

"THIS WEEK."

FROM THE VOICE OF AMERICA, THE HIGHLIGHTS OF THE WEEK GONE BY...A LOOK AT SOME OF THE EVENTS, A CROSS-SECTION OF THE IDEAS, AND THE VOICES OF SOME OF THE PEOPLE WHO MADE NEWS DURING THE PAST SEVEN DAYS. YOUR NARRATOR IS ----------.

NARR:

THE CHRISITIAN WORLD WAS DEEPLY SADDENED THIS WEEK BY THE SUDDEN DEATH OF POPE JOHN PAUL THE FIRST, RESULTING FROM A HEART ATTACK. POPE JOHN PAUL I, SIXTY-FIVE-YEARS OLD, WAS ELECTED TO THE PAPACY BARELY ONE MONTH AGO. DURING WHAT WAS TO BECOME ONE OF THE SHORTEST REIGNS IN THE HISTORY OF THE ROMAN CATHOLIC CHURCH, JOHN PAUL HAD MANAGED TO ESTABLISH THE CHARACTER OF HIS PONTIFICATE: INFORMAL, WARM AND HUMAN IN PERSONAL MANNER, YET FIRM AND TRADITIONAL ON MATTERS OF CATHOLIC DOGMA AND TEACHING. SO, SHORTLY, IN ACCORDANCE WITH CHURCH LAW, CARDINALS FROM AROUND THE WORLD WILL ONCE AGAIN CONGREGATE IN ROME TO SELECT THE NEXT SUCCESSOR OF SAINT PETER.

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THE NECESSARY FIRST STEP TO IMPLEMENT THE INITIAL STAGES OF THE MIDEAST PEACE FRAMEWORK SIGNED AT CAMP DAVID WAS TAKEN THIS WEEK. ISRAEL'S PARLIAMENT VOTED OVERWHELMINGLY TO RATIFY THE AGREEMENT -- WHICH PROVIDES FOR THE REMOVAL OF ISRAELI SETTLEMENTS FROM THE SINAI AND THE AREA'S RETURN TO EGYPTIAN CONTROL.

EARLIER, DURING THE OFTEN HEATED DEBATE IN THE KNESSET, ISRAELI PRIME MINISTER MENACHEM BEGIN SAID HE AND HIS CABINET HAD CONCLUDED THEY HAD NO CHOICE BUT TO AGREE TO PRESIDENT SADAT'S DEMAND THAT ISRAELI GIVE UP ITS SINAI SETTLEMENTS. HE ADDED THAT

ISRAEL WOULD NOT HAVE BEEN ABLE TO WITHSTAND THE INTERNATIONAL CRITICISM A REFUSAL TO GIVE UP THE SETTLEMENTS WOULD HAVE STIRRED.

HERE IN WASHINGTON PRESIDENT CARTER HAILED THE KNESSET VOTE AS A GREAT STEP FORWARD. HE SAID THE ISRAELI DECISION TO ENDORSE THE CAMP DAVID FRAMEWORK AND SUPPORT THE REMOVAL OF THE SINAI SETTLEMENTS IS SURE PROOF OF WHAT MISTER CARTER CALLED THE TREMENDOUS COURAGE DISPLAYED BY MISTER BEGIN AND HIS KNESSET COLLEAGUES. THE PRESIDENT ADDED THAT WITH THIS ACTION, THE ISRAELIS HAVE MOVED TOWARDS A POTENTIAL LIFETIME PARTNERSHIP WITH THEIR EGYPTIAN NEIGHBORS LED BY PRESIDENT SADAT.

LATER IN THE WEEK, MISTER CARTER CONCEDED THAT HE AND PRIME MINISTER BEGIN STILL HAVE DIFFERENCES OVER CAMP DAVID UNDERSTANDINGS CONCERNING NEW ISRAELI SETTLEMENTS IN THE WEST BANK. BUT HE SAID THE MATTER IS NOT INSOLUBLE:

TAPE: CUT ONE -- CARTER

"BUT IT'S AN HONEST DIFFERENCE OF OPINION. IT WILL CERTAINLY BE NO OBSTACLE TO THE PROGRESS TOWARD PEACE. BUT I CAN'T SAY THAT WE'VE RESOLVED IT YET. THERE'S NO PERSONAL ANIMOSITY BETWEEN MYSELF AND PRIME MINISTER BEGIN. I CERTAINLY DON'T ALLEGE ANY IMPROPER ACTION ON HIS PART. IT'S JUST AN HONEST DIFFERENCE OF OPINION WHICH I THINK WILL BE RESOLVED."

NARR:

(OPT) EARLIER IN THE WEEK, SECRETARY OF STATE CYRUS VANCE BRIEFED PRESIDENT CARTER ON THE RESULTS OF HIS FIVE-DAY MIDDLE EAST TRIP AIMED AT EXPLAINING THE CAMPE DAVID ACCORDS TO ARAB LEADERS. WHILE THE VANCE MISSION TO JORDAN, SAUDI ARABIA AND SYRIA PRODUCED NO PROMISES OF SUPPORT FOR THE PEACE FRAMEWORK, THE WHITE HOUSE SAID IT WOULD BE A MISTAKE TO CHARACTERIZE THE JOURNEY AS A FAILURE. THE UNITED STATES STILL HOPES THAT OTHER ARAB NATIONS WILL JOIN EGYPT IN THE CAMP DAVID PEACE PROCESS. AND A WHITE HOUSE SPOKESMAN SAID THE CARTER ADMINISTRATION WILL CONTINUE TO PROVIDE ALL THE INFORMATION IT CAN TO CONVINCE THESE NATIONS THAT THE PEACE PLAN IS IN THEIR BEST INTEREST. (END OPT)

THE WORLD BANK AND THE INTERNATIONAL MONETARY FUND HELD THEIR ANNUAL MEETING IN WASHINGTON THIS WEEK. THE NEW MANAGING DIRECTOR OF THE FUND, JACQUES DE LAROSIERE OF FRANCE, CITED SOME OF THE PERSISTENT PROBLEMS FACING THE WORLD ECONOMY: INFLATION, THE SLOW PACE OF RECOVERY FROM THE RECESSION FOUR YEARS AGO AND CONTINUING PROBLEMS WITH THE INTERNATIONAL MONETARY ADJUSTMENT PROCESS. ESPECIALLY IMPORTANT AND TROUBLESOME, MISTER DE LAROSIERE SAID, "IS THE CONTRAST BETWEEN THE TRADE DEFICIT OF THE UNITED STATES AND THE SURPLUSES OF WEST GERMANY, JAPAN AND SWITZERLAND."

IN HIS REMARKS BEFORE THE ANNUAL MEETING, WORLD BANK PRESIDENT ROBERT MCNAMARA SPOKE ABOUT THE NEED TO ERADICATE ABSOLUTE POVERTY IN THE WORLD. UNLESS STEPS ARE TAKEN, MISTER MCNAMARA SAID, ABOUT SIX HUNDRED MILLION PERSONS WILL REMAIN TRAPPED IN SEVERE POVERTY AT THE END OF THIS CENTURY. THE WORLD BANK PRESIDENT CITED THE NEED TO SPEED UP THE OVERALL ECONOMIC GROWTH OF THE DEVELOPING NATIONS. HE URGED THE DEVELOPED COUNTRIES TO STEM THE GROWING TIDE OF PROTECTIONIST SENTIMENT BY FURTHER OPENING UP THE INDUSTRIALIZED WORLD TO IMPORTS FROM THE DEVELOPING NATIONS.

PRESIDENT CARTER, SPEAKING TO THE SAME MEETING, RENEWED HIS EARLIER PLEDGES TO CONTROL U.S. INFALTION AND REDUCE AMERICAN DEPENDENCE ON FOREIGN OIL. HE SAID HE WOULD NOT SHRINK FROM THE HARD DECISIONS NEEDED TO MAINTAIN A SOUND DOLLAR:

TAPE: CUT TWO -- CARTER

"WE WILL ACHIEVE THE STRONG U.S. ECONOMY AND NON-INFLATIONARY U.S. GROWTH THAT MUST UNDERLINE A SOUND DOLLAR AND STABLE INTERNATIONAL MONETARY SYSTEM. THE OUTLOOK FOR PROGRESS IS GOOD. SOME OF THE CAUSES OF OUR LARGE TRADE DEFICITS HAVE ALREADY BEEN REMOVED, OTHERS ARE NOW BEING REMOVED. OUR CURRENT ACCOUNT POSITION SHOULD IMPROVE SIGNIFICANTLY NEXT YEAR. THE UNITED STATES WILL REMAIN AN OPEN AND VIGOROUS ECONOMY AND AN ATTRACTIVE PLACE TO INVEST."

NARR:

LATER IN THE WEEK, THE CARTER ADMINISTRATION ANNOUNCED DETAILS OF A NEW PROGRAM TO BOOST U.S. EXPORTS AND THUS HELP CLOSE WASHINGTON'S HUGE TRADE DEFICIT. MISTER CARTER SAID THAT THIS CONTINUED DEFICIT HAS SPURRED INFLATION AND RAISED DOUBTS ABOUT AMERICAN LEADERSHIP. AND HE ADDED THAT THERE MUST BE A NEW AWARENESS IN THE UNITED STATES ABOUT THE NEED FOR A STRONG EXPORT EFFORT. VOA CORRESPONDENT DAVID GOLLUST HAS DETAILS:

TAPE: CUT THREE -- GOLLUST

"SPECIFICALLY, MISTER CARTER SAID HE WILL ASK CONGRESS FOR AN ADDITIONAL FIVE HUNDRED MILLION DOLLARS NEXT YEAR FOR THE U.S. EXPORT-IMPORT BANK TO FINANCE MORE FOREIGN PURCHASES OF AMERICAN GOODS. AND HE HAS DIRECTED THE SMALL BUSINESS ADMINISTRATION TO MAKE CREDITS OF UP TO ONE HUNDRED MILLION DOLLARS AVAILABLE TO US.S EXPORT FIRMS TO AID THEIR ENTRY IN FOREIGN MARKETS. THE DEPARTMENTS OF STATE AND COMMERCE WILL BE GIVEN MORE FUNDS TO PROMOTE THE SALES OF U.S. GOODS OVERSEAS -- WHILE THE JUSTICE DEPARTMENT WILL CLARIFY ANTI-BRIBERY AND ANTI-TRUST CODES AS THEY APPLY TO EXPORT SALES -- SO THAT U.S. FIRMS WILL NOT FOREGO LEGITIMATE EXPORT DEALS DUE TO UNCERTAINTY ABOUT THE LAW."

NARR:

PRESIDENT CARTER ALSO DIRECTED ALL FEDERAL AGENCIES TO CONSIDER THE IMPACT OF THEIR INDUSTRIAL AND PRODUCT REGULATIONS ON U.S. EXPORTS. BUT HE STRESSED THERE MUST BE NO LOWERING OF THE SAFETY OR ENVIRONMENTAL STANDARDS OF AMERICAN GOODS AND THAT U.S. EXPORT POLICY WILL CONTINUE TO REFLECT CONCERN FOR HUMAN RIGHTS.

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THE BELEAGUERED GOVERNMENT OF NICARAGUA'S PRESIDENT ANASTASIO SOMOZA ANNOUNCED THIS WEEK THAT IT HAS ACCEPTED U.S. COOPERATION TO RESOLVE THE POLITICAL CRISIS IN THE COUNTRY IN THE AFTERMATH OF A BLOODY INTERNAL STRUGGLE BETWEEN THE GOVERNMENT AND LEFTIST GUERRILLAS. THE ANNOUNCEMENT CAME AFTER THE DEPARTURE FROM MANAGUA OF PRESIDENT CARTER'S SPECIAL REPRESENTATIVE, AMBASSADOR WILLIAM JORDEN.

THE NICARAGUAN GOVERNMENT RELEASED A STATEMENT SAYING IT HAD ACCEPTED WHAT IT CALLED THE FRIENDLY COOPERATION OF THE UNITED STATES TO HELP FIND A PEACEFUL SOLUTION WITH THE PARTICIPATION OF ALL INTERESTED OPPOSITION POLITICAL GROUPS. THE BROAD OPPOSITION FRONT THAT CLAIMS TO REPRESENT THE SANDINISTA GUERRILLAS AND ALL OPPOSITION GROUPS HAS CALLED FOR COLOMBIA, MEXICO AND THE DOMINICAN REPUBLIC TO ACT AS MEDIATORS TO END THE BLOODSHED AND THE POLITICAL CRISIS. SO FAR THE OPPOSITION FRONT INSISTS THAT PRESIDENT SOMOZA MUST STEP ASIDE AND IT REFUSES TO NEGOTIATE DIRECTLY WITH HIM.

GENERAL SOMOZA HAS EXPRESSED WILLINGNESS TO TALK WITH THE OPPOSITION. BUT HE HAS INSISTED ALL ALONG THAT HE WILL NOT RESIGN UNTIL HIS TERM IS OVER IN 1981.

(OPT) LATER IN THE WEEK A STATE DEPARTMENT SPOKESMAN SAID SOME PROGRESS HAS BEEN MADE IN SEEKING MEDIATION EFFORTS. VOA CORRESPONDENT DEBI WEINSTEIN EXPLAINS:

<u>TAPE: CUT FOUR -- WEINSTEIN</u>

"THE SPOKESMAN SAID SPECIAL AMERICAN AMBASSADOR WILLIAM JORDEN CONTINUED TALKS WITH PRESIDENT SOMOZA ON TUESDAY TO TRY TO REACH AGREEMENT ON THE MATTER. HE SAID THE UNITED STATES HAS ALSO BEEN MEETING WITH OPPOSITION GROUPS. HE MENTIONED OPPOSITION POLITICAL PARTIES, BUSINESSMEN AND CHURCH LEADERS, BUT SAID THE UNITED STATES HAS NOT BEEN IN CONTACT WITH THE LEFTIST SANDINISTA GUERRILLAS. HE SAID ALL SIDES SEEM AGREED ON THE PRINCIPLE OF MEDIATION. THE SPOKESMAN SAID THE UNITED

STATES IS TRYING TO ESTABLISH A FRAMEWORK SO DISCUSSIONS CAN PROCEED RAPIDLY. HE SAID THE UNITED STATES EXPECTS OTHER MEMBERS OF THE ORGANIZATION OF AMERICAN STATES TO OFFER THEIR COOPERATION."

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NARR: (END OPT)

THE FOREIGN MINISTERS OF THE FIVE WESTERN NATIONS THAT INITIATED THE UNITED NATIONS PLAN FOR NAMIBIAN INDEPENDENCE STILL APPEARED OPTIMISTIC THIS WEEK ABOUT THEIR PEACE PROPOSALS. THIS IN SPITE OF SOUTH AFRICA'S DECISION TO PROCEED WITH ELECTIONS IN NAMIBIA WITHOUT U.N. SUPERVISION AND DESPITE SENTIMENT IN SOME AFRICAN DELEGATIONS AT THE UNITED NATIONS IN FAVOR OF SANCTIONS AGAINST PRETORIA. LATER IN THE WEEK, THE U-N SECURITY COUNCIL APPROVED A RESOLUTION SUPPORTING SECRETARY-GENERAL KURT WALDHEIM'S PLAN FOR U.N.-SUPERVISED ELECTIONS IN NAMIBIA AND CALLING ON SOUTH AFRICA TO COOPERATE IN THE IMPLEMENTATION OF THE PLAN. EARLIER, U.S. AMBASSADOR DONALD MCHENRY APPEARED HOPEFUL:

TAPE: CUT FIVE -- MCHENRY

"WE ARE STILL WORKING FOR THE IMPLEMENTATION OF THE PROPOSALS WHICH WERE SET FORTH. WE CONTINUE TO BELIEVE THAT THEY STILL CONSTITUTE THE BEST AVAILABLE BASIS FOR A SETTLEMENT IN NAMIBIA AND WE EXPECT THE COUNCIL TO APPROVE THOSE PROPOSALS AND APPROVE THE SECRETARY-GENERAL'S REPORT ON THE IMPLEMENTATION OF THEM."

NARR:

OTHER WESTERN MEMBERS OF THE SECURITY COUNCIL HAVE ALSO URGED SOUTH AFRICA TO COOPERATE WITH THE UNITED NATIONS IN AN INDEPENDENCE PLAN FOR NAMIBIA. BRITISH FOREIGN SECRETARY DAVID OWEN APPEALED FOR THE PLAN'S IMPLEMENTATION:

TAPE: CUT SIX -- OWEN

"AFRICAN NATONS AND LEADERS AS WELL AS THOSE OF US OUTSIDE AFRICA HAVE WORKED FOR AN AFRICAN SOLUTION -- AND AN INTERNATIONAL SOLUTION. IT WOULD BE A TRAGEDY FOR SOUTHERN AFRICA IF, AT THIS LATE STAGE, THIS OPPORTUNITY FOR NAMIBIA TO BECOME INDEPENDENT

WAS REJECTED. THE ALTERNATIVES, CONTINUED FIGHTING AND AN ESCALATING CONFRONTATION BETWEEN SOUTH AFRICA AND THE WORLD WOULD REPRESENT A SHAMEFUL RETREAT FROM THE IDEALS TO WHICH ALL PARTIES HAVE, I BELIEVE, BEEN COMMITTED."

NARR:

LATER IN THE WEEK, SOUTH AFRICA'S NATIONAL PARTY CHOSE DEFENSE MINISTER PIETER BOTHA AS THE COUNTRY'S NEW PRIME MINISTER. HE SUCCEEDS JOHN VORSTER WHO RESIGNED BECAUSE OF ILL HEALTH. MISTER BOTHA IS CONSIDERED BY FAR THE MOST HARDLINE OF THE THREE CANDIDATES WHO VIED FOR THE POST OF PRIME MINISTER. AND HE IS BELIEVED RESPONSIBLE FOR THE SOUTH AFRICAN CABINET'S REJECTION TWO WEEKS AGO OF THE U.N. PLAN FOR NAMIBIA'S INDEPENDENCE.

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U.S. SECRETARY OF STATE CYRUS VANCE AND SOVIET FOREIGN MINISTER ANDREI GROMYKO BEGAN ANOTHER ROUND OF SALT TALKS IN NEW YORK THIS WEEK. MISTER VANCE TOLD REPORTERS AFTER THE INITIAL MEETING THAT HE BELIEVES AND VERY MUCH HOPES A NEW SALT TREATY CAN BE COMPLETED BEFORE THE END OF THE YEAR. VOA CORRESPONDENT MARK WILLEN HAS DETAILS:

<u>TAPE: CUT SEVEN -- WILLEN</u>

"U.S. OFFICIALS INDICATED IN ADVANCE OF THE TALKS THAT THIS ROUND OF NEGOTIATIONS COULD BE DECISIVE IN DETERMINING WHETHER A NEW TREATY WILL BE SIGNED THIS YEAR -- PERHAPS AT A CARTER-BREZHNEV SUMMIT. AMERICAN OFFICIALS SAY NINETY-FIVE PERCENT OF A NEW TREATY IS ALREADY COMPLETE, AND THEY BELIEVE A BREAKTHROUGH ON THE REMAINING ISSUES IS POSSIBLE THIS WEEK. THE KEY UNRESOLVED ISSUE IS HOW TO LIMIT THE INTRODUCTION OF NEW MISSILE SYSTEMS. SOME NEW AMERICAN IDEAS ON THIS SUBJECT WERE PRESENTED TO SOVIET LEADERS THREE WEEKS AGO WHEN U.S. NEGOTIATOR PAUL WARNKE TRAVELLED TO MOSCOW. MISTER VANCE INDICATED THAT FOREIGN MINISTER GROMYKO RESPONDED TO AT LEAST SOME OF THOSE IDEAS IN WEDNESDAY'S MEETING."

ANNCR:

AND THOSE ARE SOME OF THE STORIES THAT MADE HEADLINES THIS WEEK. YOUR NARRATOR WAS---------. JOIN US AGAIN NEXT--- WHEN THE VOICE OF AMERICA TAKES A LOOK AT THE NEXT SEVEN DAYS OF THE WEEK.

WJL/RD/RCS